



# CITY OF LODI

## COUNCIL COMMUNICATION

AGENDA TITLE: Investment Account Disclosure

MEETING DATE: February 2, 2000

PREPARED BY: Deputy Treasurer

RECOMMENDED ACTION: That the City Council by motion/action accept the quarterly report of the City of Lodi pooled money investment account as required by SB564.

BACKGROUND INFORMATION: The investment report is currently included in the monthly executive report distributed to Council. SB564 required local agency treasurers to submit a report on investments at a public meeting. The City of Lodi has an investment policy, which is submitted to council for approval on an annual basis. Copies of the policy are available in the Finance Department. In addition to the quarterly report on investments in the City of Lodi pooled money investment account, a breakdown Treasury Inventory by type has been included in a chart format. Also included is the most current report of the Local Agency Summary of Investment Data and the State of California pooled money investment account market valuation.

The City of Lodi maintains membership in the California Municipal Treasurers Association and conforms to guide lines set forth by the CMTA investment report committee. The Finance Department will continue to include the investment report monthly as part of the executive report.

FUNDING: None.

*Vicky McAthie*  
Vicky McAthie  
Finance Director/Treasurer

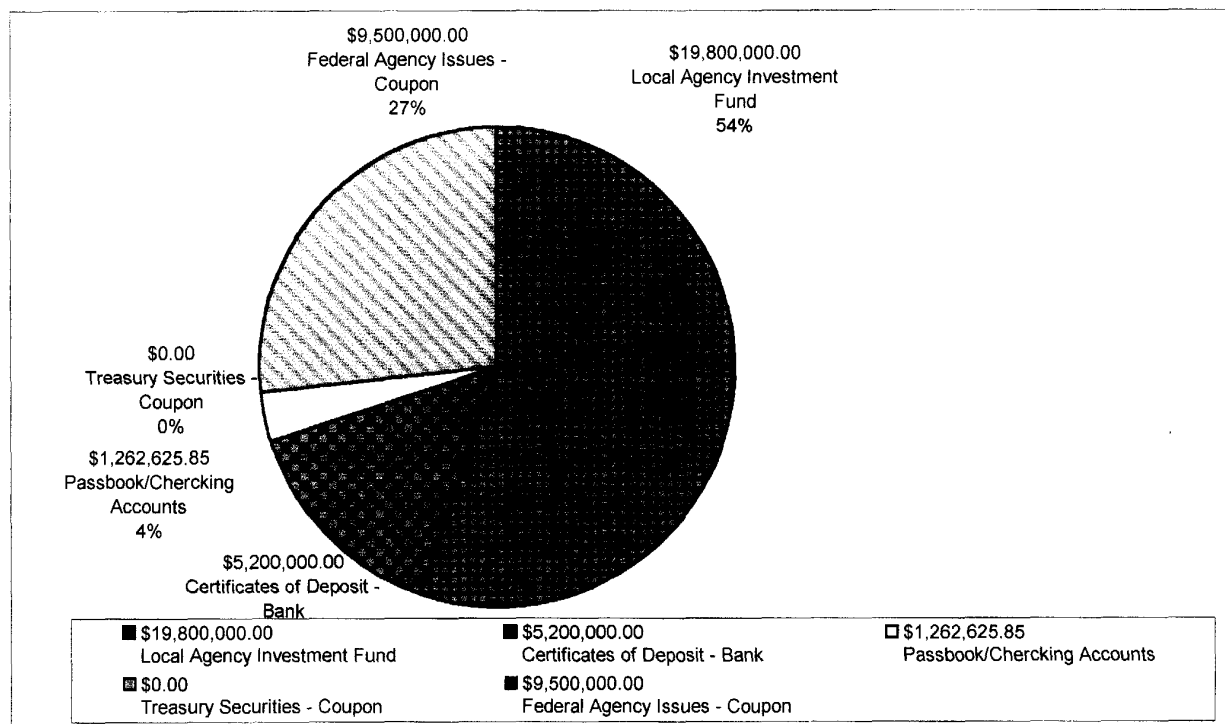
APPROVED:

*H. Dixon Flynn*  
H. Dixon Flynn -- City Manager

## BREAKDOWN OF TREASURY INVENTORY BY TYPE

December 1999

<u>Type of Security</u>	<u>Amount</u>	<u>Percent of Portfolio</u>	<u>Maximum Maturity</u>
Local Agency Investment Fund	\$19,800,000.00	55.365062%	Indefinite
Certificates of Deposit - Bank	\$5,200,000.00	14.540319%	5 years
Passbook/Checking Accounts	\$1,262,625.85	3.530574%	Indefinite
Treasury Securities - Coupon	\$0.00	0.000000%	5 years
Federal Agency Issues - Coupon	\$9,500,000.00	26.564045%	5 years
	<u>\$35,762,625.85</u>	<u>100.00%</u>	





**City of Lodi**  
**Portfolio Management**  
**Portfolio Summary**  
**December 31, 1999**

City of Lodi  
 212 W. Pine St.  
 Lodi, CA 95240  
 (209)333-6800

Investments	Par Value	Market Value	Book Value	% of Portfolio	Term	Days to Maturity	YTM 360 Equiv.	YTM 365 Equiv.
Local Agency Investment Funds	19,800,000.00	19,800,000.00	19,800,000.00	55.37	1	1	5.423	5.498
Certificates of Deposit - Bank	5,200,000.00	5,200,000.00	5,200,000.00	14.54	279	180	5.284	5.358
Passbook/Checking Accounts	1,262,625.85	1,262,625.85	1,262,625.85	3.53	1	1	0.000	0.000
Federal Agency Issues - Coupon	9,500,000.00	9,311,665.00	9,500,000.00	26.56	1,077	817	5.734	5.814
<b>Total Investments and Averages</b>	<b>35,762,625.85</b>	<b>35,574,290.85</b>	<b>35,762,625.85</b>	<b>100.00%</b>	<b>327</b>	<b>244</b>	<b>5.294</b>	<b>5.367</b>

Total Earnings	December 31 Month Ending	Fiscal Year To Date
Current Year	152,086.23	843,939.20
Average Daily Balance	34,500,242.42	33,253,601.22
Effective Rate of Return	5.19%	5.03%

Marcella Maxine Cadwallader  
 Marcella Maxine Cadwallader  
 Revenue Manager/Deputy Treas.

1-11-2000  
 Date

Based on the approved budget and to the extent the budget is adhered to, liquidity is available for the next three to six months. Union Bank of California is the source of market valuation.

**City of Lodi**  
**Portfolio Management**  
**Portfolio Details - Investments**  
**December 31, 1999**

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CUSIP	Investment #	Issuer	Average Balance	Purchase Date	Par Value	Market Value	Book Value	Stated Rate	YTM 365 Equiv.	Days to Maturity	Maturity Date
Local Agency Investment Funds											
	1000	Local Agency Invest. Fund			16,000,000.00	16,000,000.00	16,000,000.00	5.498	5.498	1	
	1001	Local Agency Inv Fund (LPIC)			3,800,000.00	3,800,000.00	3,800,000.00	5.498	5.498	1	
	Subtotal and Average		18,138,709.68		19,800,000.00	19,800,000.00	19,800,000.00		5.498	1	
Certificates of Deposit - Bank											
	13	Central Sierra Bank		04/15/1999	100,000.00	100,000.00	100,000.00	3.510	3.559	107	04/17/2000
	17	Farmers and Merchants Bank		09/13/1999	1,000,000.00	1,000,000.00	1,000,000.00	5.250	5.323	90	03/31/2000
	18	Farmers and Merchants Bank		09/13/1999	1,000,000.00	1,000,000.00	1,000,000.00	5.250	5.323	181	06/30/2000
	19	Farmers and Merchants Bank		09/13/1999	1,000,000.00	1,000,000.00	1,000,000.00	5.250	5.323	272	09/29/2000
	20	Farmers and Merchants Bank		09/13/1999	1,000,000.00	1,000,000.00	1,000,000.00	5.250	5.323	363	12/29/2000
	24	Farmers and Merchants Bank		12/21/1999	1,000,000.00	1,000,000.00	1,000,000.00	5.656	5.735	20	01/21/2000
	9	Guaranty Federal Bank		01/11/1999	100,000.00	100,000.00	100,000.00	4.720	4.786	10	01/11/2000
	Subtotal and Average		5,200,000.00		5,200,000.00	5,200,000.00	5,200,000.00		5.358	180	
Passbook/Checking Accounts											
	4003	Bank of America		07/01/1999	299,799.54	299,799.54	299,799.54		0.000	1	
	4000	Farmers & Merchants			962,826.31	962,826.31	962,826.31		0.000	1	
	Subtotal and Average		1,661,532.74		1,262,625.85	1,262,625.85	1,262,625.85		0.000	1	
Federal Agency Issues - Coupon											
3133M7SQO	11	Federal Home Loan Bank		03/08/1999	1,000,000.00	977,190.00	1,000,000.00	5.570	5.570	797	03/08/2002
3133M8WC4	14	Federal Home Loan Bank		06/09/1999	1,000,000.00	975,780.00	1,000,000.00	6.040	6.040	1,073	12/09/2002
3133M4TB9	1	Federal Home Loan Bank (call)		07/09/1998	500,000.00	494,845.00	500,000.00	5.910	5.910	555	07/09/2001
3133M7LKO	10	Federal Home Loan Bank (call)		02/26/1999	1,000,000.00	970,160.00	1,000,000.00	5.550	5.550	968	08/26/2002
3133M93F7	15	Federal Home Loan Bank (call)		06/28/1999	1,000,000.00	983,280.00	1,000,000.00	6.175	6.175	909	06/28/2002
3133M9WU2	23	Federal Home Loan Bank (call)		09/28/1999	1,000,000.00	992,660.00	1,000,000.00	6.250	6.250	636	09/28/2001
3133M6NQ7	5	Federal Home Loan Bank (call)		12/03/1998	1,000,000.00	973,280.00	1,000,000.00	5.580	5.580	884	06/03/2002
31364GR43	12	Fannie Mae callable note		05/17/1999	1,000,000.00	975,620.00	1,000,000.00	5.760	5.760	867	05/17/2002
31364GLG2060	6	Fannie Mae callable note		12/15/1998	1,000,000.00	977,340.00	1,000,000.00	5.350	5.350	716	12/17/2001
31364G7G8	22	Fannie Mae Bullet		09/22/1999	1,000,000.00	991,510.00	1,000,000.00	6.000	6.000	632	09/24/2001
	Subtotal and Average		9,500,000.00		9,500,000.00	9,311,665.00	9,500,000.00		5.814	817	
Total Investments and Average			34,500,242.42		35,762,625.85	35,574,290.85	35,762,625.85		5.367	244	

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Run Date: 01/11/2000 - 11:23

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**City of Lodi**  
**Portfolio Management**  
**Investment Activity By Type**  
**December 1, 1999 through December 31, 1999**

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CUSIP	Investment #	Issuer	Stated Rate	Transaction Date	Purchases or Deposits	Sales/Maturities or Withdrawals	Balance
<b>Local Agency Investment Funds (Monthly Summary)</b>							
	1001	Local Agency Inv Fund (LPIC)	5.498		2,000,000.00	1,300,000.00	
		<b>Subtotal</b>			<b>2,000,000.00</b>	<b>1,300,000.00</b>	<b>19,800,000.00</b>
<b>Certificates of Deposit - Bank</b>							
	24	Farmers and Merchants Bank	5.656	12/21/1999	1,000,000.00	0.00	
	7	Farmers and Merchants Bank	4.150	12/21/1999	0.00	1,000,000.00	
		<b>Subtotal</b>			<b>1,000,000.00</b>	<b>1,000,000.00</b>	<b>5,200,000.00</b>
<b>Passbook/Checking Accounts (Monthly Summary)</b>							
	4003	Bank of America			825,496.62	818,981.99	
	4000	Farmers & Merchants			10,715,774.54	11,134,492.96	
		<b>Subtotal</b>			<b>11,541,271.16</b>	<b>11,953,474.95</b>	<b>1,262,625.85</b>
<b>Federal Agency Issues - Coupon</b>							
		<b>Subtotal</b>					<b>9,500,000.00</b>
		<b>Total</b>			<b>14,541,271.16</b>	<b>14,253,474.95</b>	<b>35,762,625.85</b>

**City of Lodi**  
**Portfolio Management**  
**Investment Activity Summary**  
**December 1998 through December 1999**

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Month End	Year	Number of Securities	Total Invested	Yield to Maturity		Managed Pool Rate	Number of Securities Purchased	Number of Securities Matured / Sold	Average Term	Average Days to Maturity
				360 Equivalent	365 Equivalent					
December	1998	12	30,093,074.92	4.741	4.795	5.492	3	2	191	169
January	1999	12	29,853,471.34	5.213	5.274	5.460	1	1	192	166
February	1999	13	29,294,246.16	5.098	5.168	5.210	1	0	239	207
March	1999	14	27,704,197.72	4.940	5.009	5.136	1	0	293	250
April	1999	14	31,211,557.89	4.799	4.865	5.119	1	1	260	216
May	1999	13	30,476,985.77	4.950	5.019	5.119	1	2	225	196
June	1999	15	30,355,747.07	4.850	4.917	5.119	2	0	304	267
July	1999	15	27,455,406.40	4.814	4.881	5.080	1	0	336	286
August	1999	15	27,264,657.01	4.920	4.989	5.080	0	0	338	278
September	1999	21	35,308,057.59	5.042	5.112	5.225	6	0	341	284
October	1999	21	35,749,728.66	4.972	5.041	5.391	0	0	337	268
November	1999	21	35,474,829.64	5.131	5.202	5.391	0	0	339	258
December	1999	21	35,762,625.85	5.294	5.367	5.498	1	1	327	244
Average		16	31,231,122.00	4.982%	5.049%	5.255	1	1	286	238

**City of Lodi**  
**Portfolio Management**  
**Distribution of Investments By Type**  
**December 1998 through December 1999**

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Investment Type	December 1998	January 1999	February 1999	March 1999	April 1999	May 1999	June 1999	July 1999	August 1999	September 1999	October 1999	November 1999	December 1999	Average by Period
Local Agency Investment Funds	65.8	77.0	75.1	66.8	66.9	74.4	63.6	60.3	62.6	52.6	51.2	53.8	55.4	63.5%
Certificates of Deposit - Bank	4.0	4.0	4.1	4.3	3.8	3.9	4.0	4.4	4.4	14.7	14.6	14.7	14.5	7.3%
Certificates of Deposit - S & L														
Passbook/Checking Accounts	15.3	3.9	2.0	5.4	8.4	3.6	7.8	8.0	5.5	5.8	7.7	4.7	3.5	6.3%
Commercial Paper - Interest Bearing														
Repurchase Agreements														
Federal Agency Issues - Coupon	15.0	15.1	18.8	23.5	20.8	18.1	24.7	27.3	27.5	26.9	26.6	26.8	26.6	22.9%
Treasury Securities - Coupon														
Mortgage Backed Securities														
Bankers Acceptances -Amortizing														
Commercial Paper Disc. -Amortizing														
Federal Agency Disc. -Amortizing														
Treasury Discounts -Amortizing														
Miscellaneous Discounts -Amortizing														

**City of Lodi**  
**Portfolio Management**  
**Interest Earnings Summary**  
**December 31, 1999**

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	December 31 Month Ending	Fiscal Year To Date
<b>CD/Coupon/Discount Investments:</b>		
Interest Collected	127,297.01	250,661.53
Plus Accrued Interest at End of Period	156,944.75	156,944.75
Less Accrued Interest at Beginning of Period	( 215,275.66)	( 69,900.78)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	68,966.10	337,705.50
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	68,966.10	337,705.50
<b>Pass Through Securities:</b>		
Interest Collected	0.00	0.00
Plus Accrued Interest at End of Period	0.00	0.00
Less Accrued Interest at Beginning of Period	( 0.00)	( 0.00)
Less Accrued Interest at Purchase During Period	( 0.00)	( 0.00)
Interest Earned during Period	0.00	0.00
Adjusted by Premiums and Discounts	0.00	0.00
Adjusted by Capital Gains or Losses	0.00	0.00
Earnings during Period	0.00	0.00
<b>Cash/Checking Accounts:</b>		
Interest Collected	-502.19	513,941.15
Plus Accrued Interest at End of Period	256,785.58	256,785.58
Less Accrued Interest at Beginning of Period	( 173,163.26)	( 264,493.03)
Interest Earned during Period	83,120.13	506,233.70
<b>Total Interest Earned during Period</b>	<b>152,086.23</b>	<b>843,939.20</b>
<b>Total Adjustments from Premiums and Discounts</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Capital Gains or Losses</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Earnings during Period</b>	<b>152,086.23</b>	<b>843,939.20</b>

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# LAIF



# NEWS

November 1999

## LOCAL AGENCY INVESTMENT FUND SUMMARY OF ACTIVITY NOVEMBER 1999

BEGINNING BALANCE	DEPOSITS	WITHDRAWALS	MONTH END BALANCE
\$12,523,305,768.72	\$1,112,954,500.00	\$1,422,990,607.55	\$12,213,269,661.17

## POOLED MONEY INVESTMENT ACCOUNT SUMMARY OF INVESTMENT DATA A COMPARISON OF NOVEMBER 1999 WITH NOVEMBER 1998 (Dollars in Thousands)

	November 1999	November 1998	Change
Average Daily Portfolio	\$30,701,071	\$31,560,864	-\$859,793
Effective Yield	5.484	5.492	-.008
Average Life-Month End (in days)	193	188	+5

## Y2K COMPLIANT CELL PHONES

In continuing efforts to address the Y2K issue, the LAIF has acquired four cellular phones that will be used in the event there are problems with the LAIF land line phones.

While we do not anticipate any problems, the following four phone numbers are to be used ONLY in the case of an emergency:

(916) 539-0272  
(916) 539-0273  
(916) 539-0275  
(916) 539-0276



## NEW LAIF BOARD MEMBER

On December 15th, Treasurer Angelides appointed Byron Scordelis to the Local Agency Investment Board.

Mr. Scordelis joins us from Wells Fargo Bank where he is Regional President. In addition to his current position at Wells Fargo, Mr. Scordelis is also a member of the Santa Clara University Board of Fellows, UC Berkeley Alumni Finance Committee, and Elios Society. Along with the LAIF Board, Mr. Scordelis sits on the Board of the California Bankers' Association.

State Treasurer Philip Angelides  
Local Agency Investment Fund  
P.O. Box 942809, Sacramento, CA 94209-0001

Phone (916) 653-3001  
Fax (916) 654-9931  
<http://www.treasurer.ca.gov>

**State of California**  
**Pooled Money Investment Account**  
**Market Valuation**  
**11/30/99**

Carrying Cost Plus			
Description	Accrued Interest Purch.	Fair Value	Accrued Interest
United States Treasury:			
Bills	\$ 1,729,482,792.20	\$ 1,786,385,750.00	NA
Notes	\$ 2,747,413,372.71	\$ 2,733,560,750.00	\$ 17,471,005.50
Federal Agency:			
Bonds	\$ 2,822,322,588.16	\$ 2,805,483,130.20	\$ 37,977,242.17
Floaters	\$ 100,000,000.00	\$ 100,000,000.00	\$ 398,167.00
MBS	\$ 453,125,920.61	\$ 434,699,373.31	\$ 2,449,357.08
GNMA	\$ 1,521,615.44	\$ 1,698,356.66	\$ 14,986.07
SBA	\$ 258,079,727.77	\$ 257,586,419.06	\$ 2,284,843.05
FHLMC PC	\$ 14,877,726.03	\$ 15,716,213.40	\$ 238,836.67
Discount Notes	\$ 3,282,551,539.16	\$ 3,362,440,664.48	NA
Bankers Acceptances	\$ -	\$ -	NA
Corporate:			
Bonds	\$ 973,336,009.66	\$ 964,704,611.00	\$ 13,339,249.61
Floaters	\$ 1,335,355,590.39	\$ 1,339,293,994.00	\$ 8,746,734.69
CDs	\$ 5,049,161,056.30	\$ 5,039,282,221.92	\$ 82,838,518.88
Bank Notes	\$ 1,567,982,384.80	\$ 1,565,212,458.14	\$ 34,315,023.62
Repurchase Agreements	\$ -	\$ -	NA
Time Deposits	\$ 2,656,990,000.00	\$ 2,656,990,000.00	NA
AB 55 & GF Loans	\$ 2,212,616,572.18	\$ 2,212,616,572.18	NA
Commercial Paper	\$ 6,450,256,604.98	\$ 6,499,291,930.48	NA
Reverse Repurchase	\$ (841,705,944.64)	\$ (841,705,944.64)	\$ (6,752,564.97)
TOTAL	\$ 30,813,367,555.75	\$ 30,933,256,500.19	\$ 193,321,399.37

Fair Value Including Accrued Interest	\$	31,126,577,899.56
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Repurchase Agreements, Time Deposits, AB 55 & General Fund loans, and Reverse Repurchase agreements are carried at portfolio book value (carrying cost).

**Philip Angelides, State Treasurer**  
**Inside the State Treasurer's Office**



**Local Agency Investment Fund**

**LAIF Performance**

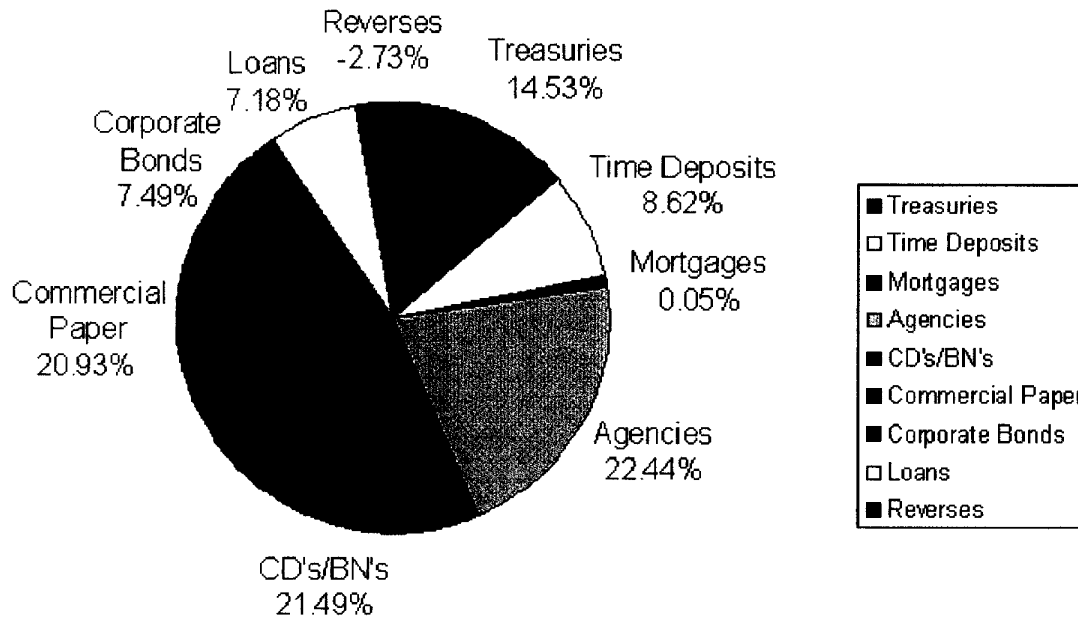
Reporting Date	1/05/00
Effective Date	12/31/99
Quarter Yield	5.504%
Daily	5.752%
Year	5.359%
Life	194 Days

**Quarter Ending 09/30/99:**

Apportionment Rate	5.21%
Earnings Ratio	00014244868910525
Fair Value Factor	.998606521

<b>Monthly Average For November</b>	5.484%
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**Pooled Money Investment Account  
Portfolio Composition  
\$30.8 Billion  
11/30/99**



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